



**BOARD OF DIRECTORS**  
Chairman Bruce Hanson  
Steven Hamilton  
Steven Johnson  
Jody May  
Dave Schmit  
James Storm Shirley  
Commissioner R. Stephen White

**GALLATIN SOLID WASTE MANAGEMENT DISTRICT**  
**Board Meeting**  
**February 18, 2009**

**Board Members Present:** Chairman Bruce Hanson; Steven Hamilton; Steven Johnson; Dave Schmidt; James Storm Shirley; Commissioner R. Stephen White

**Board Members Absent:** Jody May, excused

**Staff Present:** Larry Watson, Gallatin County Grants and Project Director; Wayne Shelton, Recycling Coordinator; Bob Dellinger, CPA, Dellinger & Gallagher, Inc; Susan Dellinger, Gallatin Solid Waste District Accountant; Jim Simon, Logan Landfill Site Foreman; Dawn Chrétien, Recording Secretary

**Members of the Public:** Tom Miller; Lee Nuss, L & L Site Services; Lance Johnson, L & L Site Services; Dave Leverett, Four-Corners Recycling; Phil Idelson, Allied Waste, Inc.; Joe Horner, H&H Earthworks, Inc. (Sign-in sheet attached).

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An Executive Session of the Board was scheduled from 5:00 – 6:00 p.m. The meeting was closed to the public due to discussion of personnel matters.

**Regular Meeting:**

**Call to Order:** Chairman Bruce Hanson called the meeting to order at 6:10 p.m.

**1. Public Comment**

Chairman Bruce Hanson asked for public comment. There was no public comment.

**2. Approval of Minutes for the January 21, 2008, Gallatin Solid Waste Management District (SWMD) Regular Board Meeting Minutes.**

Chairman Bruce Hanson asked if there were any additions, deletions, corrections to the January 21, 2009, Board Minutes as presented.

Board Member David Schmidt moved to amend the January 21, 2009, Minutes on Page 6., Item 5.2., first paragraph, "He received one quote for a 15,000 gallon system for \$878,650," should be corrected to read, "\$78,650."

*Motion by Board Member Steve White to approve the Gallatin County Solid Waste Management District January 21, 2009 Minutes as Amended. Seconded by Board Member Steven Johnson. All voted aye. Motion carried (Motion#09-021809-01).*

### **3. Financial Reports**

#### **3.1. Decision to Approve the January 2009 Financial Report – Susan Dellinger**

Susan Dellinger, Gallatin Solid Waste District Accountant, submitted for Board review the following: Operational Reports January 1-31, 2009; Graphs of Incoming Tonnage by Month & Revenue by Month Comparison January 1-31, 2009; the Balance Sheets as of January 31, 2009, for the Gallatin Solid Waste District, the Logan Landfill; the Bozeman Convenience Site, and the Recycling Program; the Profit & Loss as of January 2009 for the Gallatin Solid Waste District, the Logan Landfill, the Bozeman Convenience Site, and the Recycling Program; the Profit & Loss Budget vs. Actual July 2008-January 2009 for the Gallatin Solid Waste Management District, the Logan Landfill, the Bozeman Convenience Site, and the Recycling Program; Monthly Cash flow Analysis- FY 2009 for the Gallatin Solid Waste Management District, the Logan Landfill, the Bozeman Convenience Site, and the Recycling Program; Transaction Detail By Account as of January 2009 for the Bozeman Convenience Site, Recycling Program; and the Logan Landfill; Status of Past Due Charge Accounts at the Logan Landfill as of February 11, 2009; Account Aging Report as of January 31, 2009.

Susan Dellinger reviewed the reports with the Board. She reported on the reserve accounts 10-2000 through 10-2230. The District has \$4,818,115.26 in reserved and unreserved cash. Overall operations on the profit and loss show a gross profit of \$267,313.84. It includes the Bozeman Convenience Site, Logan Landfill, and the Recycling program. The net income for January was \$73,148.96. There were no major expenses. The District made the Cell II biannual payment. The Bozeman Convenience site grossed \$4,830. After payment for hauling, compost payments to the City, and tipping fees it grossed \$568. January's net profit after expenses was a negative \$5,280.87. The Recycling Program is struggling with the economy. The total cost of goods sold put the program at a negative \$19,223.82. The recycling revenue was \$13,900. The overall net income was a negative \$24,128.66. The District is paying for the processing fees in advance. We were receiving a net check, but now we will receive the total received for the commodities at time of sale. There were no problems with our receivables. The Transaction by Detail report shows the detail on the purchases.

In Board discussion, it was clarified under the recycling program the inventory is not cash. The cardboard costs more to process than what they are expecting to receive for it even before the hauling. The price is based on the current market value at the time it is taken to the processing site.

*Board Member Steve White moved to approve the January Financial Reports presented by Susan Dellinger. Seconded by Board Member Dave Schmidt. All voted aye. Motion carried (Motion#09-021809-02).*

**3.2. Decision to Approve September, October, and November FY09 Monthly Compilation Reports – Bob Dellinger CPA, Dellinger and Gallagher, Inc.**

Bob Dellinger CPA, Dellinger and Gallagher, Inc. presented for review the Gallatin County Solid Waste District Financial Statements for the four months and year ended September, October, and November 2008. He reported there were not many changes based on Susan's reports. The differences are in the depreciation and the way the County calculates it. She estimates the interest income which always changes. Last month she estimated \$10,000, but the District ended up receiving \$22,000 after the month closed. In January, she has estimated \$14,000; it might be closer to the average.

*Motion by Board Member Storm Shirley to accept the September, October, and November FY09 Monthly Compilation Reports prepared and presented by Bob Dellinger. Seconded by Board Member Steven White. All voted aye. Motion carried (Motion#09-021809-03).*

**3.3. Discussion and Recommendation to the County Commission Regarding Yellowstone National Park Disposal RFP Response – Larry Watson**

Larry Watson, Grants and Projects Director, submitted a solicitation by Yellowstone National Park for landfill services to include Class III- Light construction Materials 250 tons, Class IV-Heavy Construction Materials 380 tons, and 8 mobile homes up to 14 ft. x 80 ft. These materials cannot be disposed of in the West Yellowstone Hebgen Lake District. It will run from March 1 – September 30, 2009.

*Board Member Steven Johnson moved to recommend approval to the County Commission regarding Yellowstone National Park solicitation for landfill services. Seconded by Board Member David Schmidt. All voted aye. Motion carried. (Motion#09-021809-04).*

**3.4. Decision to Approve Task Order Z – Not to Exceed \$7,000 for updating the Landfill O&M Manual as required by DEQ by Bob Church, Great West Engineering- Chairman Bruce Hanson**

Chairman Bruce Hanson reported Bob Church, Great West Engineering prepared a scope of services to update the April 1994 Logan Landfill's Operations and Maintenance Manual as required by the Department of Environmental Quality(DEQ), brought forth in a letter from Tim Stepp, Solid Waste Program, dated March 31, 2008, regarding a DEQ inspection at the Logan Landfill on November 1, 2007. The District Manager and Tim Stepp discussed the District submitting an updated Operations and Maintenance Plan required with the new Master Plan including the Class IV unit, as well as

consolidation of procedures given the many changes that have occurred at the facility.

*Motion by Board Member Steven Hamilton to approve Task Order Z – Not to Exceed \$7,000 for updating the Landfill O&M Manual as required by DEQ. Seconded by Board Member Steve White. All voted aye. Motion carried. (Motion#09-021809-05).*

**3.5 Decision to Accept Estimate to Conduct Class IV Corrective Measure by Bob Church, Great West Engineering, Inc.- Chairman Bruce Hanson**

Chairman Bruce Hanson reported the following bids were received by Bob Church, Great West Engineering: H & H Earthworks, Inc. - \$9,500; Trapper Peak Construction- \$26,900; Montana Civil Contractors, Inc. - \$34,689.; Sime Construction, Inc. - \$37,500; no quote Roadarmel; no quote AM Wells. Great West recommends H&H Dirtworks, Inc. for \$9,500.

The Board discussed the bids. The low bidder was about half the amount of the rest of the bidders. They wanted assurance it would be done safely.

Joe Horner, H&H Earthworks, responded he could do it safely for the bid he quoted. He walked both sides of the pit and evaluated it carefully. He will use a smaller dozer to cut the slopes to bring them to a 2:1. He will have an excavator on hand to get it started to keep it from the edge.

The Board discussed the safety aspect of the overhang. They questioned Mr. Horner extensively regarding the safety measures of the corrective measure. They agreed he convinced them he could do the job needed with the equipment he had on hand. There was concern expressed regarding him getting into water in the canyon. Mr. Horner's bid did not have a provision for water drainage. The Board agreed once he starts the project there might be other circumstances that might require more time and cost. If so, they can authorize a change order. The bid was still considerably lower than the other bids.

*Based on the circumstance that the Class IV area at the Logan Landfill was found to be a public health and safety concern, as well as an employee concern; that the concerns mandate the Board to make a timely decision; and finding Bob Church, Great West Engineering, Inc., engineering company under contract with the District made a written recommendation for H&H Earthworks to the Board; and further finding Joe Horner, H&H Earthworks was present and answered the Board's questions on their safety and cost concerns to their satisfaction; Motion by Board Member Steve White to accept the bid estimate received from H&H Earthworks, to Conduct Class IV Corrective Measures, not to Exceed \$9,500. The Board authorizes Chairman Bruce Hanson to proceed with moving forward to get a contract in place with the County Attorney's Office. Seconded by Board Member Steve Johnson. Vote on Motion: Board Members' Bruce Hanson, Steve Johnson, Dave Schmidt, Storm Shirley, and Steve White voted aye. Board Member Steven Hamilton abstained. Motion carried. (Motion#09-021809-06).*

Mr. Horner stated he would start the project on February 25.

Chairman Bruce Hanson responded a contract will be prepared and completed for the project so you can begin on the 25<sup>th</sup>.

#### **4. Recycle Program Coordinator Report – Wayne Shelton**

##### **4.1. Recycling Report**

Recycle Coordinator Wayne Shelton presented Gallatin Solid Waste District Recycling Report 2/18/2009. He gave a commodity price update. The new containers were delivered. He is getting labels and locks next week.

The Board discussed the prices of commodities. Paper is holding in the market. The District has four truck loads of plastic on hand. The price is lower in the winter, but it is higher than similar months last year. They found the Albertson's site is still not up and running.

Dave Leverett, Four Corners, Recycling, recommended when the price of cardboard is \$60 per ton, he will move the cardboard inventory on hand. He will move the older product and rotate the inventory. In April, he will have to bring up the issue of the product getting too old, raining, storage capacity on site. The \$60 dollar per ton pays for processing, but loses on the baling. It will be a break even for both parties at that price. The historical model is \$70 per ton. The main newspaper mill shut down for 10 days. The newspapers are getting thinner, bundles of 40 instead of 50 because there is less advertising.

Board Member Steven Hamilton reported the student council on their own initiative placed a recycling center at the Three Forks school for paper, aluminum, and plastic.

Board Member Steven Johnson reported the volume of waste at the City is 10 percent over from last year. There has been no effect in Bozeman with the new curbside recycling program. A lot of material has been moved out of the valley that is not going into the landfill. The recycling program needs about 800 more customers to get a break even. They are opening up commercial rates that will start servicing apartment complexes, retirement homes, and other larger type businesses that will bring a larger volume to the program.

##### **4.2. E-Waste Roll-out Plan**

Wayne Shelton, Recycle Coordinator, reported the e-waste event is scheduled for April 17 and 18<sup>th</sup>. The plan is coming together. The event will be held at the Fairgrounds Building #3. The Fairgrounds is donating the building. The City of Bozeman and Allied Waste are lending equipment. The Local Water Quality District is getting the advertising ready. Zoot has previously donated \$5,000. They expect their donation to be the same this year. He estimated it would cost about \$60,000 plus another \$14,000 for freight. He is still waiting on finding out if the District will be awarded the sponsorship from ECS Regenesys. Montana State University was going to

bring their e-waste ahead of time. They talked about getting a cargo truck and trailer to them. His concern is there will be several loads and only one to transport the materials.

Dave Leverett, Four Corners Recycling, responded they donated pallets and a pallet jack last year. He would be happy to do it this year.

Board Member Steve Johnson responded it would be cleaner to just send a trailer up to MSU and get it done rather than double handling and loading the waste.

Chairman Bruce Hanson responded we are at the eleventh hour for this event. It is crucial to get a commitment for the sponsorship. You are going to have to lean on them. We need the commitment in writing. We need an answer by March 4<sup>th</sup>.

Wayne Shelton, Recycle Coordinator, responded he has been trying to push them. They do have the prison for a backup. It would be the same deal, just that the prison is not as reputable.

*Board Member Steve Johnson moved that the Board proceed with the e-waste event irrespective of the sponsorship up to \$20,000 maximum. Seconded by Board Member Steve White (Motion#09-021809-07).*

The Board discussed the dropping off of the e-waste. They will have to take everything that comes in and not discriminate. They agreed they need a commitment to get the advertising going. Montana State University will provide funding along with the Local Water Quality District. They felt confident the donations will come in. They wanted to make sure by the next Board meeting everything will be laid out. The dates will be locked in. the volunteers will be lined up.

*Vote on Motion: All voted aye. Motion carried. (Motion#09-021809-07).*

Board Member Steve Johnson stated the City can supply containers for the waste generated by the event if the fees are waived at Logan for the donated boxes from the City.

## **5. Manager Reports**

### **5.1. DEQ – Alternative Daily Cover Approval – Jim Simon**

Site Foreman Jim Simon reviewed his February 18, 2009, letter to the Board, regarding a purchase of a sprayer for the alternate daily cover. He reported the landfill received a January 28, 2009, letter from Mary Louise Hendrickson, Solid Waste Licensing, Montana Department of Environmental Quality, regarding DEQ's approval of the use of two alternative cover products for the landfill (letter included in packet). She

outlined the provisions to use with the two products, Top Coat and PosiShell. We will use the PosiShell cover in the active cell area. The ADC takes up less space than dirt. They are currently renting a sprayer from the manufacturer of the product for \$2,250 per month. It has been okay for the short term, but it is not set up for a landfill. It has a low clearance, regular tires, and has a 500 gallon capacity. The sprayer they would like approval to purchase is a Kincaid Pro 1200 LF through RDO equipment for \$44,975. The savings in air space, equipment hours, soil consumption, and fuel will easily recoup the costs of purchasing the equipment.

Board Member Steve Johnson responded he used Topcoat at two different landfills. It is a great product that works well. It will save a lot of money and manpower. He questioned why he recommended the RDO over the Finn equipment.

Jim Simon, Site Foreman, responded price and availability. RDO is a local company.

**5.2. Decision to Approve Purchase of ADC Sprayer not to Exceed \$45,000—Jim Simon**

*Motion by Board Member Steven Johnson to authorize the expense for the purchase of the 2008 Kincaid Pro1200 as presented in the purchase order from RDO, for \$44,975. Seconded by Board Member Storm Shirley. All voted aye. Motion approved (Motion#09-021809-08).*

**5.3. Decision to Approve the Purchase of Scraper Tires (Budget Transfer)**

Chairman Bruce Hanson reported the landfill requested to purchase two scraper tires for the landfill paddlewheel scraper. They were a great buy. The landfill had shopped for tires for two and half years and could not find a good buy like this one. They had a hard time just finding tires for the machine. The budget for tires was for \$6,000. They bought two tires in September. They needed two more. The County Finance Officer authorized a budget transfer from Operations to Tires for the expense. He gave the mechanic authorization to purchase them.

**5.4. Update on the Landfill Shop**

Bruce Hanson reported for the most part the shop is moving forward slowly. The shop has a metal shell up. There have been issues brought up in-house that are going to be presented to Bob Mechels.

Bruce Hanson passed out a January 20, 2009, letter from Bob Mechels. He requests additional fees for their service. He based his additional fee request on bidding for two separate building packages, a redesign of the addendum for the shop building for the building committee then rebid the original design. They said they spent over \$11,000 worth of time on the dual bid packages and rebid efforts. He is asking \$6,371 in additional fees.

The Board discussed the request. The Board agreed that the bids were not written correctly. They had to be rebid because of the architect's errors. It slowed the project. They also knew they were bidding on two separate packages. The Board agreed to deny the request.

*Board Member Steve Johnson moved that the Board deny Bob Mechels request for additional fees and to direct staff to send a letter accordingly. Seconded by Board Member Steve White. All voted aye. Motion carried (Motion#09-021809-09).*

#### **5.5. Update on the Landfill Administration Building – Dawn Chretien**

Dawn Chretien reported the administration building is ready for the final walk through. Bob Mechels submitted a list of items that needed correcting. They need to add some equipment for the IT department to get the subcontractor to wire the building. It will be a couple of weeks before it will be ready to be installed. The plan is to be in the building by the April Board meeting.

#### **5.6. For the Record Recording Costs and Information – Dawn Chretien**

Dawn Chretien submitted the software quote for the “For the Record” (FTR) system as discussed at the last Board meeting. The information had been sent to the members via e-mail for their comments.

The Board discussed the recording software finding it would be good for the record and the public to have an audio recording of the meetings.

*Board Member Steve Johnson moved that the District authorize the purchase of the FTR software bundle, not to exceed \$7,000. Seconded by Board Member Steve White. All voted aye. Motion carried (Motion#09-021809-10).*

### **6. Chairman Report – Bruce Hanson**

#### **6.1. Discussion & Decision on Water and Waste Water Alternatives for the Bozeman Convenience Site by Bob Church, Great West Engineering, Inc. – Bruce Hanson**

Chairman Bruce Hanson reported Bob Church, Great West Engineering, conducted a water and wastewater service feasibility. He recommends installing a holding tank as the best option for the cost (February 9, 2009, letter in packet). Pure Water Technologies came to the site and took water samples. Once they get the results back, they will recommend if a filtration system can be installed for the employees to be able to use the water for washing their hands. The water has to be labeled non-potable water.

Board Member David Schmidt asked if the bathroom can be hooked up to the drain field.

Chairman Bruce Hanson responded the drainfield is trashed.

*Motion by Board Member Steve White to authorize the Chairman to go forward with the holding tank option recommended by Bob Church, Great West*



*Engineering, in his February 9, 2009, letter. Seconded by Board Member Steve Johnson. All voted aye. Motion carried (Motion#09-021809-11).*

**6.2. Chairman Signature for Final Document Amending the Gallatin Solid Waste Management District By-Laws For Change of Meeting Location**

Chairman Bruce Hanson asked the Board if the By-Law change was changed as discussed at the last Board meeting.

The Board agreed the document was ready for signature.

Chairman Bruce Hanson signed the document.

The following documents were included in the February Board Members' packets: Motions FY2008; Tasks FY2009; February 18, 2009, letter to Tom Burnett from Chairman Bruce Hanson in response to his letter dated January 26, 2009, to the County Commission regarding the District's Recycling Program; February 9, 2009, letter from Bob Church, Great West Engineering, regarding Gallatin County Waste Management District Landfill Paint Disposal; January 28, 2009 letter to Mr. Matt McDermott, Compliance Inspector, DEQ, from Bob Church, Great West Engineering, regarding the landfill's submittals for 2008 CER, Discharge Monitoring Report for the second half of 2008, and an amendment #1 to the Facility Surface Water Pollution Plan; January 22, 2009 letter to Martin Van Oort, DEQ, from Bruce Siegmund, Great West Engineering, regarding his response to Mr. Van Oort letter of the laboratory results from the well monitoring; e-mails from Debbie Arkell regarding Bozeman Convenience Site; copy of 1979 septic permit for Bozeman Landfill from Environmental Health; copy of bill for septic burial at Bozeman Landfill; copy of bill for excavator rental for Bozeman Landfill; copy of bill for pumping tank at Bozeman Landfill; January 16<sup>th</sup> letter to Tom Miller from Craig Caes, regarding Tom Miller's statement his plumbing contractor confirmed the septic tank had been replaced from steel to concrete so it could be approved to be connected.

**7. Old Business**

No old business was presented.

**8. New Business**

**8.1. Discussion Regarding Notification of District Media Releases – Steven Hamilton**

Board Member Steven Hamilton requested Board Members be informed before or soon after one of the Board members talk to reporters or are on the radio discussing subjects so when the citizens he represents calls and asks for information he can be knowledgeable on the subject and be able to discuss the issues with them.

Chairman Bruce Hanson responded it was a valid request. He agrees. He will try to keep him posted on what is going on.

Board Member Steven White responded he appreciates his point. He is in the middle of the hub and sometimes gets interviewed or gets calls when something regarding the landfill comes up for a story. It is appropriate if the Board has significant interest in a press release that goes to the public that the Board has notification.

Board Member Steve Johnson responded that is why he requested the media is sent the agenda and minutes.

#### **8.2. Discussion Regarding Board Stipends – Steve White**

This item had been tabled January 21, 2009. Board member Steve White reported this pertains to 6.9 of the District bylaws, regarding payment of stipends. They were audited by the Internal Revenue Service and they zeroed in on the stipends paid. He will bring more information from the Auditor and County Attorney's Office for the next meeting.

#### **9. Agenda for the Next Meeting on March 18, 2009**

#### **10. Adjournment**

There being no further business in front of the Board, Chairman Bruce Hanson adjourned the meeting at 8:25 p.m.